

Introduced by Senator Ducheny

February 19, 2010

An act to amend Section 33445.1 of the Health and Safety Code, relating to redevelopment.

LEGISLATIVE COUNSEL'S DIGEST

SB 1287, as introduced, Ducheny. Redevelopment: payment for land or buildings.

The Community Redevelopment Law authorizes a redevelopment agency, with the consent of the legislative body, to pay all or a part of the value of the land for, and the cost of the installation and construction of, any improvement that is publicly owned and is located outside, and not contiguous to, the project area, if that improvement is located within the community, and if the legislative body makes specified findings. Existing law provides that this authorization is inapplicable, if the financing, construction, or installation of the land or improvement is an obligation of the agency under specified contracts.

This bill would modify that provision to instead provide that, if the financing, construction, or installation of the land or improvement is an obligation of the agency under specified contracts, the agency is authorized to pay all or a part of the value of the land and the cost of the installation and construction of the improvement, but only in accordance with the requirements of another specified provision of law.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 33445.1 of the Health and Safety Code is amended to read:

33445.1. (a) Notwithstanding Section 33440, an agency may, with the consent of the legislative body, pay all or a part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvement that is publicly owned and is located outside and not contiguous to the project area, but is located within the community, if the legislative body finds, based on substantial evidence in the record, all of the following:

(1) The acquisition of the land or the installation or construction of the buildings, facilities, structures, or other improvements that are publicly owned are of primary benefit to the project area.

(2) The acquisition of the land or the installation or construction of the buildings, facilities, structures, or other improvements that are publicly owned benefits the project area by helping to eliminate blight within the project area, or will directly assist in the provision of housing for low- or moderate-income persons.

(3) No other reasonable means of financing the acquisition of the land or the installation or construction of the buildings, facilities, structures, or other improvements that are publicly owned, are available to the community, including, but not limited to, general obligation bonds, revenue bonds, special assessment bonds, or bonds issued pursuant to the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code). In determining whether other means of financing are feasible, the legislative body may take into account any relevant factors, including, but not limited to:

(A) Legal factors, such as the eligibility of the improvements for funding under the governing statutes.

(B) Economic factors, such as prevailing interest rates and market conditions.

(C) Political factors, such as the priority of commitments of other public funding sources, the ability or willingness of property owners or taxpayers to bear the cost of any special assessments, taxes, or other charges, and the likelihood of obtaining voter approval, if required.

1 (4) The payment of funds for the acquisition of land or the cost
2 of buildings, facilities, structures, or other improvements that are
3 publicly owned is consistent with the implementation plan adopted
4 pursuant to Section 33490.

5 (5) The acquisition of land and the installation of each building,
6 facility, structure, or improvement that is publicly owned is
7 provided for in the redevelopment plan.

8 (b) An agency shall not pay for the normal maintenance or
9 operations of buildings, facilities, structures, or other improvements
10 that are publicly owned. Normal maintenance or operations do not
11 include the construction, expansion, addition to, or reconstruction
12 of, buildings, facilities, structures, or other improvements that are
13 publicly owned otherwise undertaken pursuant to this section.

14 (c) An action to challenge the findings required by this section
15 shall be filed and served within 60 days after the date of the
16 resolution containing the findings.

17 (d) The provisions of this section shall not apply *and the*
18 *provisions of Section 33445 shall apply* if the financing,
19 construction, or installation of the land, buildings, facilities,
20 structures, or other improvements is an obligation of the agency
21 under a contract existing on December 31, 2009, specifically
22 described in the implementation plan prepared by the agency as
23 of July 1, 2009, pursuant to Section 33490, or specifically provided
24 for in the redevelopment plan as of December 31, 2009.